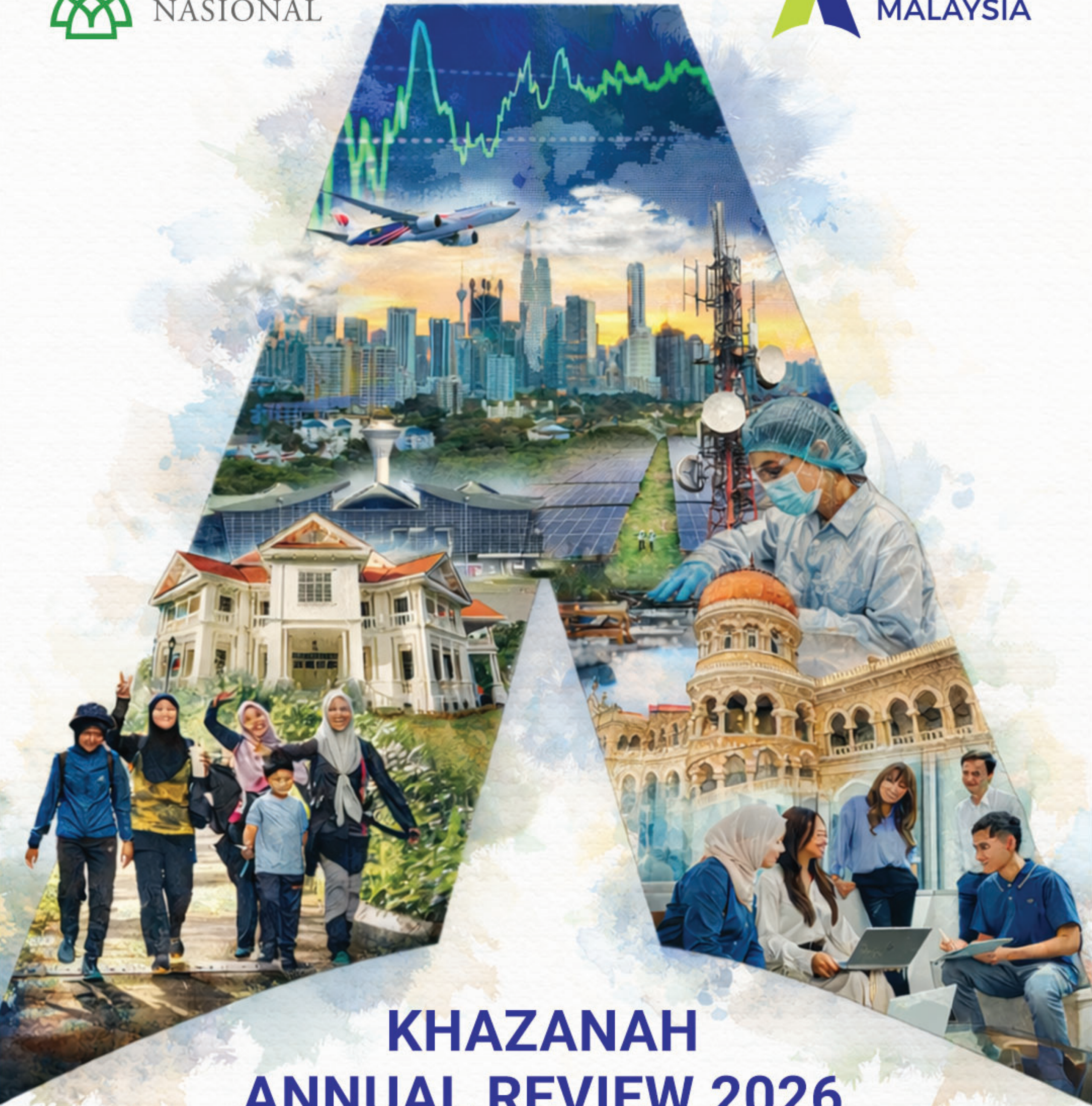




KHAZANAH  
NASIONAL



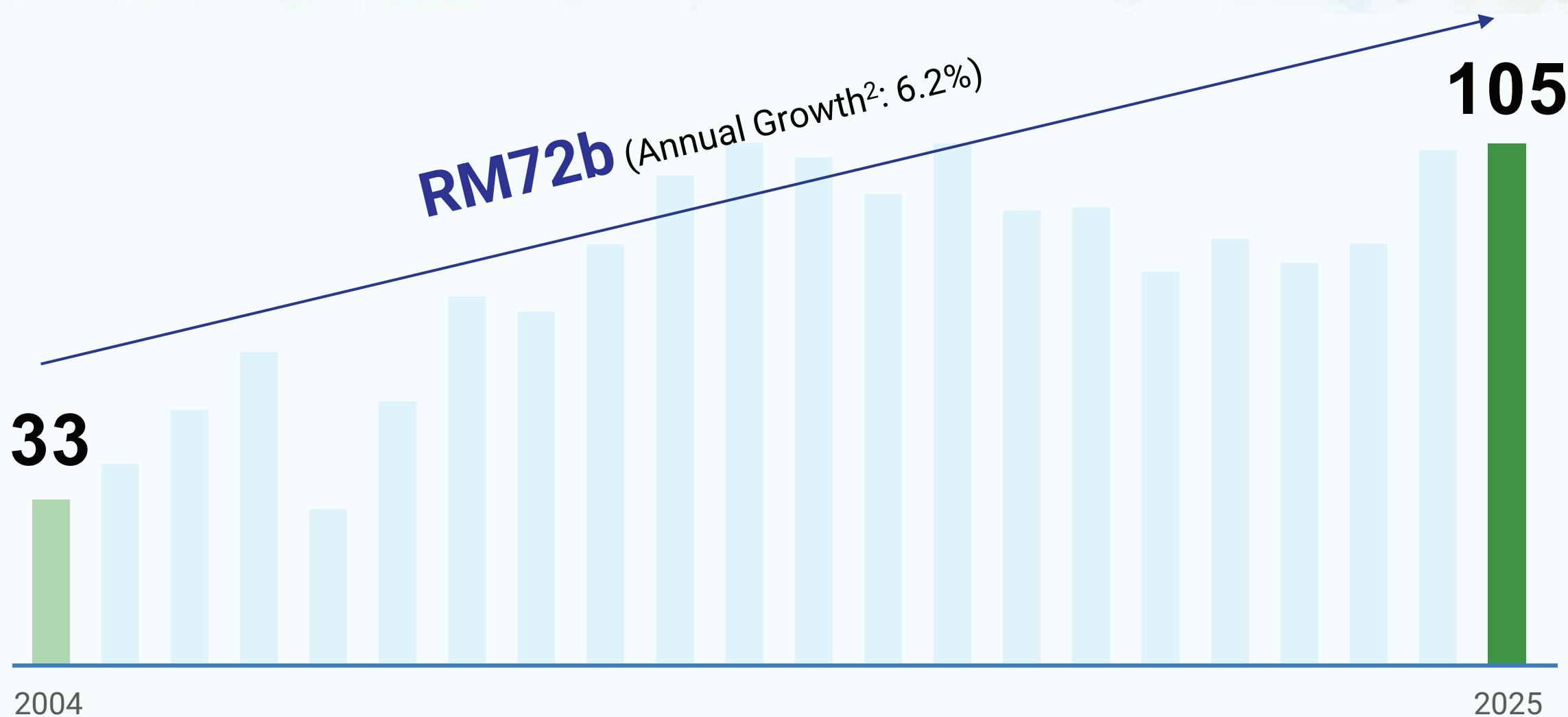
ADVANCING  
MALAYSIA



# KHAZANAH ANNUAL REVIEW 2026

Despite the challenging environment in 2025, Khazanah's overall portfolio remained resilient with net assets at RM105b

**Overall Portfolio Net Assets<sup>1</sup> (RM b)**



**RM21.1b**  
 Cumulative Dividends  
 paid to the Government of  
 Malaysia

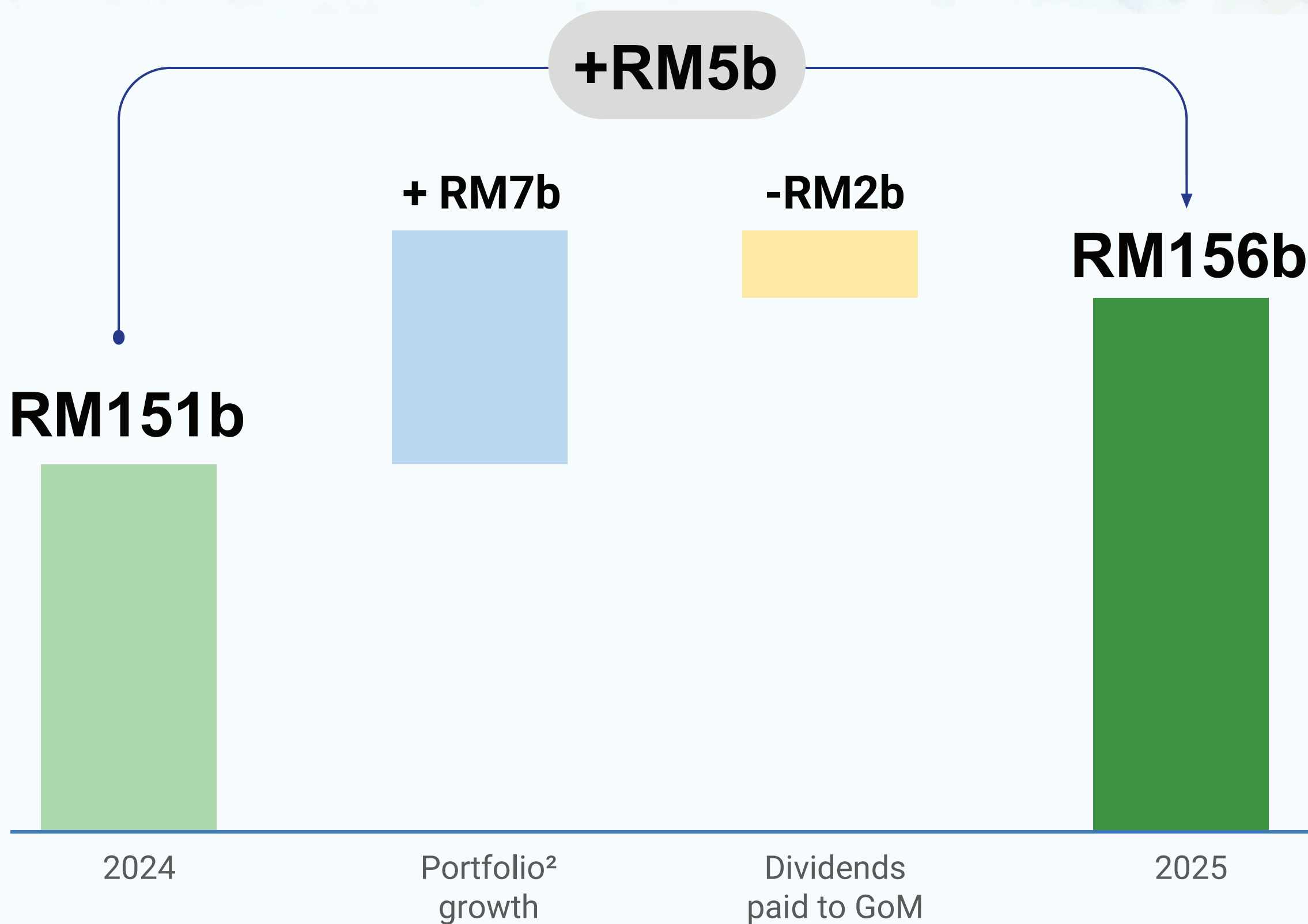
**RM93.1b**  
 Cumulative  
 Shareholder Return

<sup>1</sup> Net Assets refer to Net Asset Value (NAV), which is Total Assets minus Total Liabilities

<sup>2</sup> Compound Annual Growth Rate computed based on the growth in net asset value, including dividends and net of cash flows

In 2025, Khazanah grew its total assets by RM5b, while paying out RM2b in dividends

Total Assets<sup>1</sup>, 2025



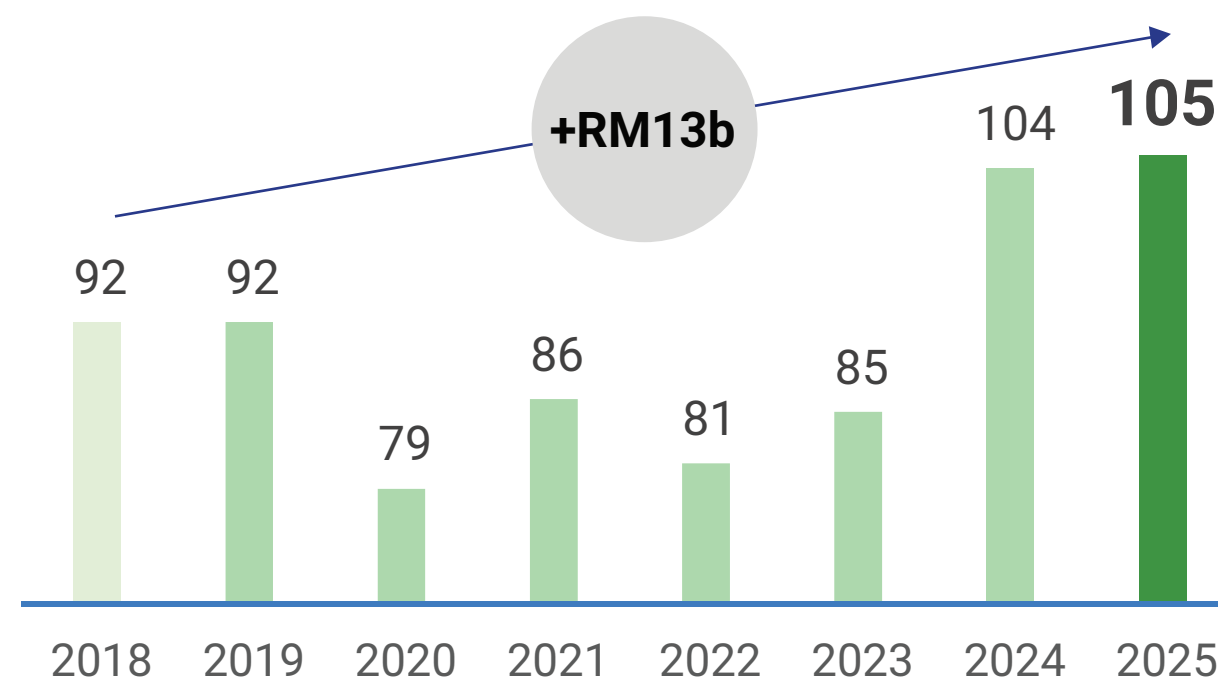
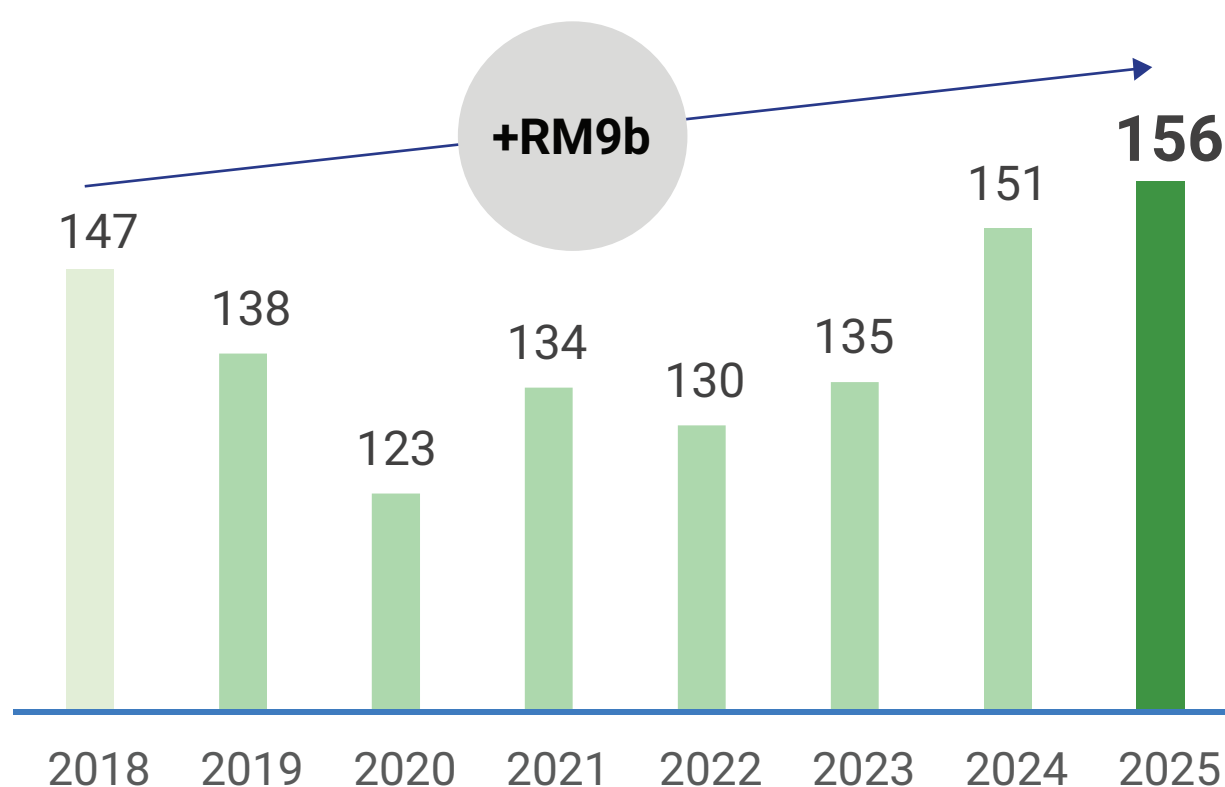
<sup>1</sup> Total Assets refer to Realisable Asset Value (RAV), which is the estimated value of assets that could be realised

<sup>2</sup> Portfolio Growth consists of investment, divestment and net change in asset value

Since 2019, net assets have grown by RM13b with RM9.5b dividends paid to Government of Malaysia

**Total Assets<sup>1</sup> (RM b)**

**Net Assets<sup>2</sup> (RM b)**



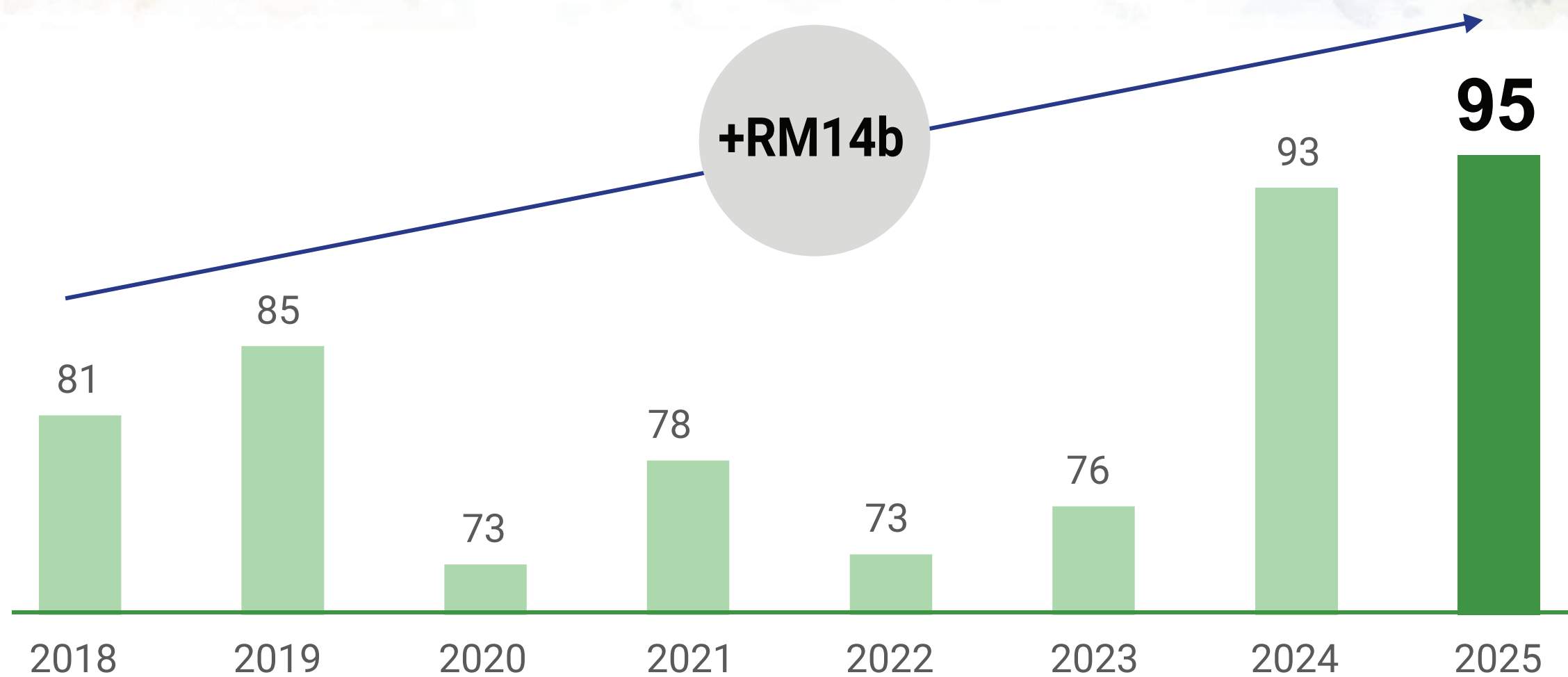
**Financials**

RM b	2019	2020	2021	2022	2023	2024	2025
<b>Profit from operations</b>	7.4	2.9	0.7	1.6	5.9	5.1	5.6
<b>Dividends</b>	1.0	2.0	2.0	0.5	1.0	1.0	2.0
<b>Debt</b>	45.8	43.1	48.5	49.1	50.2	47.7	50.7
<b>RAV Cover</b>	3.0x	2.9x	2.8x	2.7x	2.7x	3.2x	3.1x

<sup>1</sup> Total Assets refer to Realisable Asset Value (RAV), which is the estimated value of assets that could be realised. Values are as of year-end  
<sup>2</sup> Net Assets refer to Net Asset Value (NAV), which is Total Assets minus Total Liabilities. Values are as of year-end

Khazanah’s investment portfolio delivered strong and resilient returns at 5.2% in 2025 and 6.1% annually since 2019, in line with our mandate and risk appetite

Investments Portfolio Net Assets<sup>3</sup> (RM b)



Investments Portfolio Performance

**6.1%**

7-Year Returns<sup>1</sup>

**5.2%**

2025 Returns<sup>2</sup>

<sup>1</sup> Rolling returns since 1 Jan 2019

<sup>2</sup> 2025 Returns from Net Asset Value (NAV) of the Investments Portfolio

<sup>3</sup> Net Assets refer to Net Asset Value (NAV), which is Total Assets minus Total Liabilities. Values are as of year-end

We have executed several notable transactions to optimise capital for long-term value creation



**Privatisation of MAHB**  
*Completed February 2025*

With a deal value of RM18.4b, privatisation intends to drive operational excellence and elevate Malaysia's airports to world-class standards



**EDOTCO Stake Increase**  
*Completed March 2025*

Increased our stake in EDOTCO from 10.6% to 31.7% to enhance the domestic digital infrastructure for Malaysia's economic growth



**XL-Smartfren Merger**  
*Completed April 2025*

Completed at a deal value of ~USD6.5b pre-synergy, with the intention to strengthen Axiata's market position and long-term growth in SEA



**Issuance of Exchangeable Bond**  
*Completed August 2025*

USD500m issuance exchangeable into TNB shares attracted strong international investor demand, broadened access to Malaysian listed equities and provided cost-efficient funding for investments

Khazanah is committed to nation-building guided by our Malaysian Investment Strategy, supporting Malaysia's strong economy

**Malaysia Investment Strategy**

**Transforming Firms**



Catalyse VC Ecosystem



Level-up Mid-Tier Companies



Strengthen Semiconductor Ecosystem



Uplift Malaysia's Market Performance

**Energy Transition**



Strengthen & modernise grid infrastructure



Accelerate Renewable Energy Capacity



Prioritise recycling & recovery

**Connectivity**



Strengthen long-haul connection to boost Malaysia's connectivity



Privitisation for long-term sustainable growth & operational excellence



Restore and sustain national heritage

**Digitalisation**

Core enablers



Digital Tools



Digitalised Economy



Foundational Enablers



PLUGANDPLAY

**Capacity Building and Community Development**



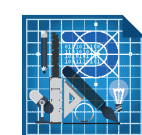
KHAZANAH RESEARCH INSTITUTE



thinkCITY



An initiative by Khazanah Nasional



KHAZANAH RESIDENCY PROGRAMME



Dana Impak drives firm transformation across their lifecycles and ecosystem building, playing a catalytic developmental role aligned with national policies

**Catalyse Malaysia's Venture Capital Ecosystem via the National Fund-of-Funds**



**5 fund managers supported** to-date via Emerging Fund Managers' Programme (EMP) & Regional Fund Managers' Initiative (RMI)

EMP

RMI



**>10 startups** supported to-date and **>RM30m** capital crowded-in for EMP fund managers

**>60 startups** supported through the Future Malaysia Programme



**Level up Malaysian Mid-Tier Companies (MTCs)**

**Capacity Development Initiatives**



**32 MTCs** enabled

**11 MTCs** supported



**Growth Capital Investments** via Direct/ Co-Investments, Private Credit & Private Equity strategies

Private Credit

Private Equity



**Strengthen Malaysia's Semiconductor & Advanced Manufacturing in alignment with National Semiconductor Strategy**

**3 Malaysian semiconductor companies** supported through catalytic fund partnership



Investment into a US-based global edge artificial intelligence leader

**SYNTIANT®**

**Opened a new manufacturing and research & development facility in Penang**, doubling its manufacturing capacity and creating 800 high-tech jobs

Note: Investee companies highlighted are non-exhaustive



Following consecutive years of improved performance, MAGB now pushes forward with a long-term strategy anchored on four strategic pillars

Delivered improved experience, stronger operations & disciplined growth in 2025

LTBP3.0<sup>2</sup> anchors MAGB's five-year growth strategy

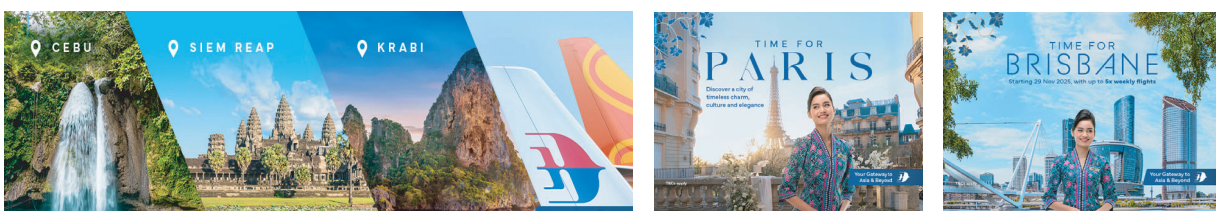
Reliability & Customer Experiences

OTP Improved to **81%** In 2025 vs. 72% in 2024

SKYTRAX World Airline Rankings 2025

**27<sup>th</sup>** World's Best Airline vs 39<sup>th</sup> in 2024  
**8<sup>th</sup>** World's Best Cabin Crew vs 10<sup>th</sup> in 2024

Network Expansion



New services to **Cebu, Siem Reap, and Krabi;** with resumed services to Brisbane and Paris

Fleet Modernisation



Airbus A330neo



Boeing B737-8/10

Fleet renewal programme<sup>1</sup>:

- 1. 55x B737 MAX 8 aircraft
- 2. 40x A330neo aircraft

Operational Improvements



Reduction of grounded aircraft by ~83% in 2025 following initiatives to enhance aircraft reliability

2030 Targets

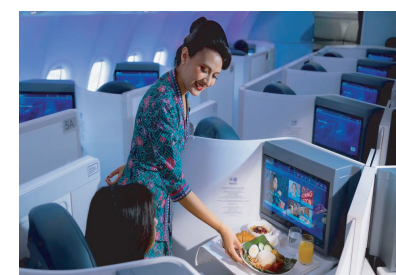
SKYTRAX Target Ranking: **Top 10 Global Airline**

Target OTP: **90%**

Target Revenue: **>RM24b**

Fleet Size: **102 aircraft**

Strategic pillars of LTBP3.0



Premium APAC Carrier



Revenue Diversification



Deeper Partnerships



Operational Leadership

<sup>1</sup> To date, MAGB has received 14 B737 MAX 8s and 9 A330neos

<sup>2</sup> Long Term Business Plan covering 2026 - 2030



# Holistic operating model reset driving enhanced passenger experience with greater connectivity for Malaysia, post-privatisation of MAHB

## Accelerated Connectivity & Network Growth



**Strong recovery in passenger traffic** with 104m pax in 2025 (+11% YoY growth; 99% pre-COVID levels)



**Network growth**  
15 new airlines onboarded, 46 new routes launched



**KUL ranked #1 in APAC and #4 globally** (after LHR, IST and AMS) **for connectivity** in 2025 by OAG1

**Skytrax ranking improved to #65** in 2025 (from #71 in 2024)

## Holistic Approach to Enhance Passenger Experience Outcomes



**International service and compliance best practices<sup>2</sup>** applied across all airports



**Elevated passenger experience** via reduced processing times (e.g., check-in, security, customs)



**Organisational and cultural transformation** through injection of global airport expertise and local leadership



**Major expansion and remediation programme** to position Malaysia as a global hub



**Modernisation of legacy systems** to enable real-time operational monitoring

<sup>1</sup> Official Aviation Guide (“OAG”) is a global provider of aviation analytics data

<sup>2</sup> Aligned with International Civil Aviation Organisation (“ICAO”), a UN agency that sets international safety standards and practices



Seri Negara and Bangunan Sultan Abdul Samad (BSAS) ready for Visit Malaysia 2026 as part of Khazanah's heritage conservation efforts



Official Launch of Seri Negara



Grand Staircase



Official Launch of Block 1, BSAS



Visionary Hall



Gallery 4



Ruang Merdeka



KL Gallery Gift Shop



Confluence Hall



Led by Khazanah, the restoration of Seri Negara was completed within 10 months, ahead of schedule; and reopened to the public on 20th December 2025.

Seri Negara brings to life the stories that have shaped our nation in an inclusive and inspiring space where Malaysians and visitors can discover our history and heritage.



Post an 11-month restoration programme, Block 1 of the Bangunan Sultan Abdul Samad Complex reopened to the public on 2nd February 2026. Khazanah continues to oversee tenant fit-out works for Block 2, with opening scheduled for Q2 2026.

The conservation journey aims to establish a vibrant arts, cultural and heritage hub celebrating creativity and community.

In collaboration with:



# Khazanah continues to drive impact for a more inclusive Malaysia; including upskilling youth in growth areas like semiconductors & aviation via the K-Youth Programme



RM122.9m disbursed to support 386 projects across art & public spaces, community development, education, environment and knowledge



Vibrant green space in central KL, welcoming over 1.7m visitors since 2018, and bringing communities together with nature, wellness and public events



Trained 9,934 youths within key industries<sup>1</sup> in collaboration with 18 industry partners



Published over 90 research publications, shaping policy recommendations



Completion of Penang Fort Cornwallis moat reinstatement; RM6.5m disbursed across 6 grant programmes, 76 projects and 140+ grantees



RM688k disbursed to upgrade 10 schools across Kuala Lumpur, Johor and Perak



<sup>1</sup> Semiconductor, Maintenance, Repair & Overhaul, Aviation, Machinery & Equipment, Digital & Tech

Khazanah will accelerate execution to Advance Malaysia by optimising our long-term portfolio and delivering socioeconomic impact

**1** Drive **value creation for Malaysia** through firms transformation, energy transition, digitalisation & connectivity for sustainable growth

Diversify and strengthen **global portfolio** for long-term resilience

**2**



**3** Advance **economic complexity** with new frontier areas via Dana Impak

**Building capacity and vibrant communities** to deliver societal value

**4**